



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Thursday Evening, October 13, 2016

Major Developments

OE/ISER Situation Report: Hurricane Matthew

The U.S. Department of Energy, Office of Electricity Delivery & Energy Reliability (OE/ISER) released an emergency situation report Thursday afternoon. For details on the impact of this storm on customer outages, energy infrastructure issues, and restoration efforts, see Hurricane Matthew Situation Reports issued by OE/ISER at the following URL: <http://energy.gov/oe/downloads/hurricane-matthew-situation-reports-october-2016>

Electricity

Update: SCE Says Wiring Error Caused Power Outage affecting 102,000 Customers October 11

Southern California Edison (SCE) on Wednesday said a wiring error during an equipment upgrade last week at its Torrance electrical substation caused a power outage on Tuesday that affected 102,000 customers and shut PBF Energy's 151,300 b/d Torrance, California refinery. The outage occurred as crews were isolating a high voltage substation for maintenance. The surge of electrical current from isolating the substation triggered a protection device that operated incorrectly because of the wiring, cutting off downstream power to about 20 lower voltage substations. SCE has been working for the past four years to increase the capacity of its Torrance substation by adding a large power transformer and upgrading circuit-breakers as well as automated systems including temporarily re-wiring a device that trips a circuit-breaker when it detects an electrical surge or fault, SCE's vice president of transmission, substations and operations said. Edison said the wiring error has been fixed but further upgrade work at the Torrance substation has been halted until the incident is reviewed. Customers lost power for up to about 80 minutes in Hermosa Beach, Redondo Beach, Hawthorne, Gardena, and Torrance. The refinery was without power for about 20 minutes. After the outage ended, the refinery said it began restarting operations but said the procedure would take days.

<http://www.latimes.com/local/lanow/la-me-ln-south-bay-outage-20161012-snap-story.html>

<http://newsok.com/wiring-error-blamed-for-southern-california-power-outage/article/feed/1091501>

National Grid Reports 10,000 Customers in Rhode Island Briefly without Power Due to Downed Cable October 12

National Grid reported at least 10,000 customers were briefly without power Wednesday night when a large cable fell from an unknown source. A National Grid spokesperson did not reveal the location of the cable, however, residents in Providence, North Providence, and Johnston, were impacted. Power had to be brought down in two substations as the utility worked to restore power causing some customers to experience partial power outages. The majority of customers had power restored within 10 minutes with some outages lasting up to approximately 90 minutes.

<https://www.nationalgridus.com/RI-Home/Storms-Outages/Outage-Map>

<http://turnto10.com/news/local/power-restored-in-ri-after-brief-outage>

Update: Dominion's 815 MW Surry Nuclear Unit 2 in Virginia Restarts, Ramps Up to 50 Percent by October 13

The unit shut from full power on October 9 following a main generator differential lockout turbine trip.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20161011en.html>

Exelon's 1,131 MW Byron Nuclear Unit 2 in Illinois Shut October 12

The unit shut from full power due to spurious feedwater isolation.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

<http://www.nrc.gov/reading-rm/doc-collections/event-status/event/2016/20161013en.html>

Update: Exelon's 855 MW Quad Cities Nuclear Unit 1 in Illinois at Full Power by October 13

On the morning of October 12 the unit was operating at 86 percent reduced from full power on October 9.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Mississippi Power Generates Electricity Using Coal Lignite Syngas at Its 555 MW Kemper County IGCC Power Plant Project in Mississippi First Power October 12

Mississippi Power – a Southern Company subsidiary – on Wednesday announced it was the first to generate electricity using synthesis gas (syngas) produced from lignite coal at its Kemper County integrated gasification combined cycle (IGCC) power plant project. IGCC is a technology that uses a high pressure gasifier to turn coal and other carbon based fuels into pressurized gas. The next major milestones are expected to include generation from by the project's second gasifier, operating both combustion turbines using all syngas, followed by complete integration of the project's systems leading to full commercial operation. Mississippi Power currently expects the remainder of the project to be placed in service by November 30.

<http://www.southerncompany.com/news/2016-10-12-kemper-county.cshtml>

Duke Energy Reports Crack in Cooling Pond Wall at Its 920 MW H.F. Lee Plant in North Carolina October 12; Minimal River Impact Expected

Duke Energy on Wednesday said the historic flooding from Hurricane Matthew caused a 50 to 60 foot crack in a cooling pond wall at its H.F. Lee natural gas combined cycle power plant in Goldsboro, North Carolina. The cooling pond is a 545 acre, man-made reservoir that was constructed to supply cooling water to power generation units at the site. While the power plant continues to operate safely, Duke Energy will continue to evaluate plant operations as it works closely with local emergency management and other officials. Based on the current flooded state of the Neuse River, this event is expected to have minimal impact on river levels, contributing less than an inch of water to the river. Duke added that the cooling pond did not contain any coal ash, and that the active ash basin was not affected by this incident and continues to operate safely.

<https://news.duke-energy.com/releases/cooling-pond-at-duke-energy-s-h-f-lee-plant-breaks;-minimal-river-impact-expected>

Petroleum

Update: Coast Guard Revises Intracoastal Waterway Diesel Spill Estimate to 5,000 Gallons after Vessel Collision in Texas October 12

The U.S. Coast Guard later on Wednesday said only about 5,000 gallons of low sulfur diesel fuel spilled into the Intracoastal Waterway (ICW) near Port Isabel, Texas on Tuesday—substantially less than the preliminary estimate of approximately 20,000 gallons. Watchstanders at Port Sector Corpus Christi received a report on Tuesday night that a towing vessel collided with a dock, which caused the fuel release. As of Thursday, response workers were able to recover more than 2,000 gallons of diesel in the Port Isabel channel, with approximately 1,000 gallons remaining. As the area around the damaged barge is cleaned, the unified command anticipates moving the barge to a Transmontaigne dock in the Brownsville Ship Channel in order to offload the cargo. The Coast Guard will re-evaluate the need for keeping the safety zone after the barge is moved and will re-open the waterway with no restrictions if it does not impact any cleanup operations. There have been no reported impacts to wildlife and the Coast Guard was investigating the cause of the incident. The ICW is a major petroleum shipping waterway, running between the U.S. mainland coast and barrier islands in the Gulf of Mexico, and intersects the Houston Ship Channel.

<http://www.uscgnews.com/go/doc/4007/2892170/>

Reuters, 19:27 October 12, 2016

HollyFrontier Reports Emissions at Its 70,300 b/d Tulsa, Oklahoma Refinery October 13

HollyFrontier reported emissions from the south vapor recovery unit at the east plant of its Tulsa refinery on October 11.

Reuters, 13:21 October 13, 2016

CVR Reports Excess Hydrogen Sulfide at Its 70,000 b/d Wynnewood, Oklahoma Refinery October 11

CVR reported excess hydrogen sulfide from the south vapor recovery flare at its Wynnewood, Oklahoma refinery on October 11.

Reuters, 13:21 October 13, 2016

LyondellBasell Reports Gas Unit Restored to Normal Operations after Upset at Its 263,776 b/d Houston, Texas Refinery October 12

LyondellBasell Industries said it restored normal unit operations after a tail gas unit upset at its Houston refinery, according to a filing with the Texas Commission on Environmental Quality

Reuters, 18:34 October 12, 2016

NARL Refining Blames ‘Malicious Activity’ for Explosion at Its 115,000 b/d Come by Chance, Newfoundland Refinery October 5

NARL Refining said a loud bang—now being confirmed as an explosion—at its Come by Chance refinery at about 8:00 p.m. local time on October 5 was continuing to be investigated by the Royal Canadian Mounted Police. There were no injuries reported in the explosion and there was no property damage, according to the company. There is no official description being released of the event, emergency response, or potential cause. Sources said the loud bang was caused by the lighting of acetylene gas in a temporary fabrication tent on refinery grounds, and that some workers with Local 740 Plumbers and Pipefitters were dismissed from the site following the incident. The incident was unrelated to the plant’s ongoing operations or process units and appears to have been the result of malicious activity by non-North Atlantic employees, a company spokeswoman said. She would not say why the event was described in the company’s statement as being the result of “malicious activity.”

<http://www.thetelegram.com/Business/2016-10-12/article-4661807/Explosion-at-Come-by-Chance-refinery-result-of-%26lsquo%3Bmalicious-activity%26rsquo%3B%3A-company/1>

<http://www.cbc.ca/news/canada/newfoundland-labrador/refinery-loud-bang-1.3801773>

Imperial Says Small Fire Extinguished Near Its 187,000 b/d Strathcona, Alberta Refinery October 13

Imperial said it extinguished a small fire at the asphalt loading area on the eastern side of its Strathcona, Alberta refinery property on Thursday morning. The company said it did not anticipate any impact on its ability to supply refined products, including asphalt.

Reuters, 10:43 October 13, 2016

TransCanada Forecasts Nearly Full Rates on Its 591,000 b/d Keystone Pipeline for October – Customers Notice

Flows on TransCanada Corp’s Keystone pipeline are set to be nearly full in October, according to a customer notice reviewed by Reuters on Thursday. The average daily rate of nearly 555,000 b/d is forecasted from October 5 to the end of the month. Some 57 percent should run to Cushing, Oklahoma, with 43 percent going to Hartford/Patoka, Illinois.

Reuters, 12:34 October 13, 2016

North Dakota Oil Production Drops below 1 Million b/d in August 2016

The Department of Mineral Resources on Thursday said North Dakota produced an average of 981,039 b/d of oil in August, down from 1.029 million b/d in July. North Dakota’s production record was set in December 2014 at 1.22 million b/d. North Dakota also produced 1.64 Bcf/d of natural gas in August, down from 1.69 Bcf/d in July. There were 33 drill rigs operating in North Dakota’s oil patch on Thursday, down 85 percent from the high of 218 in May 2012.

Reuters, 12:31 October 13, 2016

Natural Gas

Update: PG&E's 82 Bcf McDonald Natural Gas Storage Facility in California Returns to Service August 5 after Small Leaks Discovered

Pacific Gas & Electric (PG&E) said on Wednesday it returned the McDonald Island natural gas storage facility in San Joaquin County, California, to service on August 5 after shutting the field in June due to small methane leaks at some wells. State regulators approved the storage facility's return but limited the amount of gas the utility can inject to 75 Bcf, a PG&E spokesman said. There was no impact to customers while the field was shut and the utility does not expect any impact this winter from the limited operations. PG&E, a unit of California energy company PG&E Corp, discovered the small leaks during an inspection the state required after the massive leak discovered in October 2015 at Southern California Gas' Aliso Canyon storage facility in Los Angeles.

Reuters, 16:46 October 12, 2016

Cheniere Cleared to Export LNG from Second 650 MMcf/d Sabine Pass Plant October 12

Cheniere Energy Inc., which shipped its first cargo of liquefied natural gas (LNG) in February, has been cleared to double exports from its landmark terminal in Louisiana. Cheniere's second liquefaction plant at Sabine Pass was approved by the Federal Energy Regulatory Commission in a notice on Wednesday. Each plant has the capacity to produce the equivalent of about 650 MMcf/d. Train 2, as the plant is known, began producing LNG on July 28 during the commissioning process. Next year, the company is planning to bring a third plant online, and start the commissioning of a fourth.

http://www.downstreamtoday.com/news/article.aspx?a_id=53865

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

| U.S. Oil and Gas Prices | | | |
|--|-------|----------|----------|
| October 13, 2016 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 50.42 | 49.70 | 46.65 |
| NATURAL GAS Henry Hub \$/Million Btu | 3.17 | 2.83 | 2.44 |

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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